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The following constitutes
the order of the court. Signed January 27, 2015

A handwritten signature in black ink, reading "Stephen L. Johnson".

Stephen L. Johnson
U.S. Bankruptcy Judge

Attorney for Secured Creditor
HERITAGE BANK OF COMMERCE

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

In re:

KENNETH DAVID GONZALES,

Debtor.

Case No. 2014-54150

Chapter 11
RS No. WTL-001

ORDER CONFIRMING TERMINATION OF
USE OF CASH COLLATERAL AND FOR
RELIEF FROM STAY

In accordance with the terms and conditions of the Stipulation For Use Of Cash Collateral, For Adequate Protection Payments, And For Relief From Stay between **HERITAGE BANK OF COMMERCE** (the "Secured Creditor") and Debtor **KENNETH DAVID GONZALES** (the "Debtor") and the order thereon, and having considered the *ex parte* declarations and application filed in support of this order, the other pleadings, papers, and records on file in this case, and for good cause shown,

THE COURT HEREBY ORDERS AS FOLLOWS:

1. All right, power, and authority of Debtor to use and consume any and all rents, issues, profits and other sums payable (the "Rents") in connection with any leases or occupancy agreements respect the real property commonly known as 1430 South Main Street, Salinas, California (the "Real Property"), including (without limitation) all sums due and payable under

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2 the lease (the "Villa Lease") between Debtor and Villa Car Wash LLC ("Villa"), and all other
3 items of property constituting the cash collateral of Secured Creditor shall and hereby is
4 confirmed to be terminated. All Rents shall be payable solely to Secured Creditor and Debtor
5 shall not take any steps to collect, re-direct or hinder Secured Creditor's efforts to collect the
6 Rents, without further order of this court.

7 2. Secured Creditor is granted relief from stay pursuant to 11 U.S.C. §362 to
8 foreclose on and exercise any rights and remedies under those certain deeds of trust affecting the
9 Real Property and further described as follows: (1) Deed of Trust having been recorded in the
10 official records of Monterey County on June 27, 2006, and referenced as document number
11 2006-056853, (2) Deed of Trust having been recorded in the official records of Monterey County
12 on June 27, 2006, and referenced as document number 2006-056854; (3) Deed of Trust having
13 been recorded in the official records of Monterey County on June 4, 2007, and referenced as
14 document number 2007-044199; and (4) Deed of Trust having been recorded in the official
15 records of Monterey County on October 31, 2007, and referenced as document number 2007-
16 082800.

17 3. Secured Creditor is further granted relief from stay to exercise any rights and
18 remedies afforded by any other documents securing or related to the obligations owing by Debtor
19 to Secured Creditor, including (without limitation) the following, but solely to the extent same
20 extend to any collateral for the obligations owing to Secured Creditor by Debtor and/or Villa:

21 a. a U.S. Small Business Administration ("SBA") Note dated June 19, 2006,
22 and identified as SBA loan number PLP 1762256004, in the original amount of \$1,645,000; a
23 Business Loan Agreement dated June 19, 2006; an Assignment of Rents (the "Loan 100 Rents
24 Assignment") respecting the Real Property, dated June 19, 2006 and recorded in the official
25 records of Monterey County on June 27, 2006, and referenced as document number 2006-
26 056855; a Hazardous Substance Certificate and Indemnity Agreement respecting the Real

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2 Property, dated June 19, 2006 and recorded in the official records of Monterey County on June
3 27, 2006, and referenced as document number 2006-056856; a SBA Authorization dated April
4 14, 2006; a Loan Agreement and Borrower's Certification dated June 19, 2006; Amendments to
5 the SBA Authorization dated February 2, 2010 and December 20, 2011, respectively; a
6 Subordination Agreement-Lease between Villa as Lessee, Debtor, and Secured Creditor dated
7 June 19, 2006, and recorded in the official records of Monterey County on June 27, 2006 and
8 referenced as document number 2006-056857; those certain Change in Terms Agreements dated
9 February 2, 2010 and December 20, 2011, respectively; and any other documents, instruments,
10 certificates and agreements executed in connection with the foregoing;

11 b. a Promissory Note dated October 19, 2007 and in the original amount of
12 \$1,100,000; a Business Loan Agreement dated October 19, 2007; an Assignment of Rents dated
13 October 19, 2007 and recorded in the official records of Monterey County on October 31, 2007,
14 and referenced as document number 2007-082801; a Hazardous Substance Certificate and
15 Indemnity Agreement dated October 19, 2007 and recorded in the official records of Monterey
16 County on October 31, 2007, and referenced as document number 2007-082802; a Subordination
17 Agreement-Lease dated October 19, 2007, and recorded in the official records of Monterey
18 County on October 31, 2007 and referenced as document number 2007-082806; a Change in
19 Terms Agreement dated December 20, 2011; and any other documents, instruments, certificates
20 and agreements executed in connection with the foregoing.

21 c. The foregoing shall not affect or restrict Secured Creditor's rights in
22 connection with any other parties or collateral pledged directly or indirectly for the obligations
23 owing by Debtor to Secured Creditor.

24 4. Any costs and expenses incurred by Secured Creditor in exercising any rights or
25 remedies afforded or permitted by this order are and shall constitute obligations owing by Debtor
26 to Secured Creditor .

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2 5. Any funds remaining after said the satisfaction of Secured Creditor's claim (if any
3 and to the extent attributable to collateral pledged by Debtor) will be promptly forwarded to the
4 estate or any other party having any right, title or interest therein.

5 6. The 10-day stay period prescribed by Federal Rule of Bankruptcy Procedure Rule
6 4001(a)(3) and the 7-day waiting period provided for in California Civil Code §2924g(d) are
7 each hereby waived.

8 7. In furtherance of the Stipulation, relief from stay shall be extended to both
9 Secured Creditor and any affiliated entities to whom Secured Creditor may assign the loan in
10 connection with its foreclosure of the trust deeds (including, without limitation, Almaden
11 Boulevard Investments, LLC).

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13 **END OF ORDER **
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SERVICE LIST:

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